



**COUNTY OF SAN LUIS OBISPO
BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 4/23/2019	(3) CONTACT/PHONE Robert Ruiz, Project Manager (805) 781-2114	
(4) SUBJECT Submittal of a resolution to adopt a Mitigated Negative Declaration for the New Animal Services Facility on Oklahoma Avenue; a resolution making findings pursuant to Public Contract Code Section 3400 designating specific brand or trade name product requirements; and request authorization for the Director of Public Works, or his designee, to issue the Request for Proposal Solicitation No. 1516 (Clerk's File) to three (3) qualified Design-Build entities and administer the Design-Build selection process for said project. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board: <ol style="list-style-type: none"> 1. Adopt the attached resolution adopting Mitigated Negative Declaration ED17-072/320088; SCH#2018082050 per Section 21000 et seq. of the California Public Resource Code (CEQA) and approve the Animal Services Facility project to move forward; and 2. Adopt the attached resolution Making Findings Pursuant to Public Contract Code Section 3400 Designating Products by Specific Brand or Trade Name in the Request for Proposals for the Design and Construction of the New Animal Services Facility, Design-Build project, Project No. 320088; and 3. Authorize the Director of Public Works, or his designee, to issue the Contract Documents and Request for Proposal Solicitation No. 1516 (RFP), to the three (3) qualified Design-Build Entities (D-BEs) for the New Animal Services Facility Design-Build project and to make modification addendums, extend the return date and administer the appeals process and make final decisions associated with the RFP, as necessary so long as modifications are compliant with Public Contract Code Sections 22160-22169. 			
(6) FUNDING SOURCE(S) Fund Center 230 - Capital Projects Fund	(7) CURRENT YEAR FINANCIAL IMPACT Total Estimated Project Costs = \$13,701,500.00	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business (Time Est. _____)			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date 8/21/18, #15; 2/28/17, #20	
(17) ADMINISTRATIVE OFFICE REVIEW Kristin Eriksson			
(18) SUPERVISOR DISTRICT(S) All Districts			

Reference: 19.043



COUNTY OF SAN LUIS OBISPO

TO: Board of Supervisors

FROM: Public Works

Robert Ruiz, Project Manager

VIA: Jeff Werst, Design Division Manager
Dave Flynn, Deputy Director of Public Works

DATE: 4/23/2019

SUBJECT: Submittal of a resolution to adopt a Mitigated Negative Declaration for the New Animal Services Facility on Oklahoma Avenue; a resolution making findings pursuant to Public Contract Code Section 3400 designating specific brand or trade name product requirements; and request authorization for the Director of Public Works, or his designee, to issue the Request for Proposal Solicitation No. 1516 (Clerk's File) to three (3) qualified Design-Build entities and administer the Design-Build selection process for said project. All Districts.

RECOMMENDATION

It is recommended that the Board:

1. Adopt the attached resolution adopting Mitigated Negative Declaration ED17-072/320088; SCH#2018082050 per Section 21000 et seq. of the California Public Resource Code (CEQA) and approve the Animal Services Facility project to move forward; and
2. Adopt the attached resolution Making Findings Pursuant to Public Contract Code Section 3400 Designating Products by Specific Brand or Trade Name in the Request for Proposal for the Design and Construction of the New Animal Services Facility, Design-Build project, Project No. 320088; and
3. Authorize the Director of Public Works, or his designee, to issue the Contract Documents and Request for Proposal Solicitation No. 1516 (RFP), to the three (3) qualified Design-Build Entities (D-BEs) for the New Animal Services Facility Design-Build project and to make modification addendums, extend the return date and administer the appeals process and make final decisions associated with the RFP, as necessary so long as modifications are compliant with Public Contract Code Sections 22160-22169.

DISCUSSION

On February 28, 2017, the Board approved a capital improvement project to develop the New Animal Services Facility. Creation of the project included an initial budget to fund the project through the Design-Build selection process and approved execution of a consultant services agreement with Kitchell for construction management and master architect services through completion of the Design-Build project. Design-Build is intended to expedite the project delivery process and transfers primary responsibility and risk of design and construction to the D-BE.

On August 21, 2018, the Board authorized the first step of the two-step Design-Build selection process to commence for this project by issuing the Request for Statements of Qualifications. Seven submittals were subsequently received by the County from interested D-BEs and the submittals were evaluated and scored by a selection committee. At the conclusion of scoring the submittals, three (3) D-BEs were qualified to receive the RFP and propose on the project. The three qualified D-BEs are, in random order:

Diani Building Corporation	Santa Maria, CA
F&H Construction	Lodi, CA
Specialty Construction	San Luis Obispo, CA

The selection submittal committee included staff from the County of San Luis Obispo (County) and representatives from the Cities of Atascadero, Grover Beach and San Luis Obispo.

The second step in the two-step Design-Build selection process is initiated when the RFP, including project Facility Conceptual Layout and Specifications (known as Bridging Documents), are issued to the qualified D-BEs. The RFP requires that D-BEs submit a conceptual design of the facility they intend to construct with their proposal and the RFP scoring criteria requires that greater points be awarded to the design that provides the best value to the County. Since the Design-Build delivery method predominantly shifts design and construction risks to the D-BE, selection of a D-BE is an important step towards managing the risks associated with the development of the New Animal Services Facility project. Upon receipt of proposals from the qualified D-BEs, the selection committee will interview each qualified D-BE and score each proposal independently using the scoring criteria outlined in the RFP.

Once scoring is complete, the County will enter into negotiations with the top scoring D-BE. Once negotiations have concluded, a future item will be brought to the Board for award of the Design-Build contract. That future Board item will include a recommendation for a project budget adjustment to allow the County to enter into a contract with the selected D-BE and to cover corresponding soft costs. Once a contract is awarded, the selected D-BE will have the leeway to either finalize and build out the preliminary design shown in the Bridging Documents or to come up with a design of their own that meets or exceeds regulatory constraints and the needs of the County.

Given the technical complexity and size of the project, the selection process will ensure that the selected D-BE is experienced with similar facilities and is fiscally capable of performing the required work. Attachment 3 summarizes the proposal selection process to be followed. The selection criteria also includes potential deductive alternatives, which can be removed from the project for budgetary or other reasons.

Attachment 4 summarizes timeline of prior Board items and Attachment 5 shows the Project Delivery Milestone Schedule.

The specifications within the RFP contain requirements for specific equipment manufacturer components of the project with no substitutions or “equal” products allowed to be used as alternatives. The applicable components are door security and safety systems including locksets, door closers, and panic hardware; security camera system; fire alarm; plumbing flush valves; and energy controls. This type of requirement for specific products is allowed under the Public Contract Code Section 3400. In order to designate specific, sole source products with no equal, Public Contract Code Section 3400 requires the awarding authority, the Board, to make a finding that is described in the request for proposal that, amongst other reasons, these products are required because there are no suitable alternatives.¹ The findings are in the resolution in Attachment 8. This action is necessary to ensure product components, which are maintained and stocked by the County’s facility maintenance staff, will be used on the project.

OTHER AGENCY INVOLVEMENT/IMPACT

As required by CEQA, all discretionary projects carried out by the Department of Public Works are reviewed to identify, avoid, reduce, and mitigate any potential environmental impacts. The environmental study for this project resulted in the preparation of a Mitigated Negative Declaration by the County Department of Public Works Environmental Division, with review and approval by the Environmental Coordinator. The Environmental Coordinator found that the proposed project will not have a significant effect on the environment because of the inclusion of suitable mitigation measures.

A project Steering Committee meets regularly to help guide the project’s delivery and to provide oversight. The Steering Committee includes representatives from County Administration, Finance, Public Works as the project manager, and the Health Agency as client department and operator. The Steering Committee also includes representatives from partner cities of Atascadero, Grover Beach, Paso Robles and San Luis Obispo. The RFP and resolutions have been reviewed by County Counsel as to legal form and effect.

FINANCIAL CONSIDERATIONS

The New Animal Services Facility, Project No. 320088 is a multi-year project in the Facilities Capital Fund. The current total project is estimated at \$13.7M, plus financing costs.

The construction and financing costs will be allocated among the County and seven participating cities, per the agreed upon Memorandum of Agreement.

On June 19, 2018, your Board approved Amendment No. 1, reducing the outside participants construction cost allocation by \$1M, and equally increasing the County’s allocation of construction costs. The County-only portion of the current estimated construction costs is approximately \$1.5M. The approximate shared construction costs allocated to the County and cities is estimated at \$12,176,500. Preliminary estimates of financing costs range from approximately \$6.7M to \$10.8M, and annual debt payments are estimated to range from \$756,000 to \$970,000. Staff intends to finance the project with a combination of bond financing and County funds. Staff will bring a specific financing plan to the Board for approval at a later date.

¹ Public Contract Code Section 3400(c)(3) “In order to obtain a necessary item that is only available from one source.”

Please see Exhibit "A" of Attachment 2 for the current cost of the design phase and total estimated shared costs of the entire project.

RESULTS

Approval of the recommended actions will allow the Department of Public Works to continue to work toward award of the County's first Design-Build contract for a New Animal Services Facility, that when completed, will contribute to the County's goal of providing a more safe, healthy and well-governed community.

ATTACHMENTS

- 1 Vicinity Map
- 2 Project Cost Estimates
- 3 Proposal Selection Process
- 4 Timeline of Board Actions
- 5 Project Milestones Schedule
- 6 Request for Proposals and Bridging Documents
- 7 Resolution Adopting a Mitigated Negative Declaration and Initial Study for the New Animal Services Facility Project
- 8 Resolution Making Findings Pursuant to Public Contract Code Section 3400 Designating Products by Specific Brand or Trade Name in the Request for Proposals for the Design and Construction of the New Animal Services Facility, Project No. 320088

c: Michael Hill, Health Agency Director
Dr. Eric Anderson, Animal Shelter Director
Animal Shelter Steering Committee (with attachments)

File: 320088

Reference: 19.043

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